

To: Assembly Committee on Health, Aging, and Long-Term Care
From: Disability Rights Wisconsin, Barbara Beckert, Director of External Advocacy
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Date: April 12, 2023
Re: AB 148 - disenrollment of ineligible individuals from and redeterminations of eligibility for the BadgerCare Plus program and database confirmation for public assistance program eligibility

Disability Rights Wisconsin (DRW) is the designated Protection and Advocacy system for Wisconsinites with disabilities. DRW is charged with protecting and enforcing the legal rights of individuals with disabilities, investigating systemic abuse and neglect, and ensuring access to supports and services, so that all Wisconsinites can learn, work, and live full lives in our communities free of abuse, neglect, and discrimination.

Thank you for your consideration of our comments regarding AB 148. DRW opposes AB 148 and the proposed changes to BadgerCare Plus because of the negative impact they will have on many low income adults and children with disabilities who rely on BadgerCare Plus for vital health services and supports.

AB 148 will prohibit automatic renewal of benefits for BadgerCare Plus recipients, require BadgerCare Plus eligibility to be redetermined every six months, require financial information to be cross referenced between state agencies, require DHS to promptly remove all ineligible individuals, terminate eligibility for 6 months for individuals that fail to report to DHS any change that may affect their BadgerCare Plus eligibility.

AB 148 will significantly increase administrative burden and costs, increase the number of uninsured Wisconsinites and put their health at risk, and increase reliance on costly emergency care. In addition, AB 148 would violate federal law: Under federal law [42 CFR §§ 435.916(a)(1) and 457.343], states are prohibited from conducting renewals more than once every 12 months.

Access to benefits, and to Medicaid in particular, is a critically important issue for many people with disabilities, children as well as adults. We are concerned that AB 148 will create additional barriers and result in people with mental illness and other disabilities experiencing disruptions in BadgerCare eligibility. Loss of eligibility will result in loss of access to medication, healthcare, and long term supports, and lead to higher utilization

of costly emergency and urgent care services and put the health and independence of those who lose coverage at risk. Low income adults and children have a higher rate of chronic health conditions such as diabetes and hypertension. Continuity of care and uninterrupted access to care are essential to managing these conditions and lessening the rate of costly and disabling complications.

AB 148 will significantly increase the cost of administering Wisconsin's BadgerCare Plus program, increase the cost of health care for those who lose eligibility, and have a significant human cost as delays in treatment will result in more complex debilitating conditions. Eligible individuals will be at risk for losing coverage if they do not receive or understand notices or forms requesting additional information to verify eligibility or do not respond to requests within required timeframes. This is referred to as "churn" – the loss of Medicaid coverage in which enrollees disenroll and then re-enroll within a short period of time. Churn creates additional administrative costs, as well as access barriers.

The federal requirements to allow time for appeal requests, investigations of denial decisions, and appeal/decision processes (that must take place before a removal is effective) will add additional administrative costs. The immediate removal of individuals from eligibility may violate Medicaid rules for an appeals process. When a person is determined ineligible for BadgerCare, federal regulations require they get a notice of decision with their appeal rights. They can even continue to get their BadgerCare while appealing the negative decision. So 'promptly' removing ineligible people based on cross referencing data bases could be against Federal regulations.

Although many people with disabilities access Medicaid through Elderly, Blind, Disabled Medicaid (EBD), a significant number of people with disabilities receive Medicaid coverage through BadgerCare. Many are childless adults who could be at risk of losing Medicaid if AB 148 becomes law. There are individuals with disabilities who may not qualify for the traditional EBD Medicaid program, either because they are in the disability determination process or have less severe disabilities and while significant, may not currently meet the EBD disability criteria. Many people with mental illness are covered by the BadgerCare childless adult program. Many did not have access to insurance in the past and for that reason did not have the medical records needed to obtain a disability determination and access to EBD Medicaid. In addition, many children with disabilities and/or chronic health conditions, and their families, rely on BadgerCare Plus and will be at increased risk of losing access to health care.

Previous attempts to reform public assistance programs have exempted people with disabilities from policies that would result in them losing access to services. However, as

drafted, it appears that the changes proposed to BadgerCare would apply to everyone covered by BadgerCare Plus, including kids and adults with disabilities. People with disabilities, including those dealing with mental illness, can find complex systems to be challenging to navigate. Difficulty with maintaining compliance with complicated rules and documentation can mean a high percentage of them losing this life-saving benefit. In addition, DRW has found over the years that there are often errors in records or interpretations of findings that cause people to unfairly lose eligibility. Requiring this certification process to take place twice as many times as is already necessary, and then having swift removal, is a tremendous burden and increases the chances of these populations to be suddenly without healthcare coverage.

DRW is also concerned about the impact of loss of Medicaid eligibility on other low income Wisconsinites, especially people who are caregivers for adults and children with disabilities. Wisconsin is currently experiencing a severe shortage of direct care providers that is putting at risk the ability of some Wisconsinites with disabilities to live in the community. The role of unpaid family caregivers, as well as paid caregivers, is essential to ensuring children and families with significant disabilities can continue to live in the community. Disruptions in healthcare coverage may compromise their ability to care for others, and further exacerbate the caregiver shortage.

The best practices for Medicaid coverage are to provide continuous health insurance coverage. The benefits of continuous coverage are documented by the Georgetown University Center for Children and Families in a 2021 paper, [*Continuous Coverage in Medicaid and CHIP*](#): *"Medicaid continuous eligibility promotes health equity by limiting gaps in coverage for low-income children and adults who experience disproportionate rates of health disparities. Consistent access to health care, including management of chronic conditions and care coordination, improves health status and well-being and drives more efficient health care spending. Importantly, continuous eligibility mitigates the negative effects of income volatility that disproportionately impact low-income families and essential workers. By reducing the administrative costs associated with enrollees cycling on and off of Medicaid due to temporary fluctuations in income, states can dedicate more of their Medicaid dollar to pay for health care."*

Wisconsin's BadgerCare Plus program is essential to the health and well-being of hundreds of thousands of Wisconsin children and adults with disabilities, caregivers, and other low income people. AB 148 will create costly new administrative barriers that will increase the number of uninsured Wisconsinites, put their health at risk, increase reliance on costly emergency care, and significantly increase administrative costs. The increased administrative burden is fiscally irresponsible. Requiring renewals every six months will violate federal law. For all of these reasons, Disability Rights Wisconsin asks you to vote no on AB 148.